

TO: Mayor Gardner
City Council Members
Sand Point Residents

FROM: Andy Varner
City Administrator

DATE: September 1, 2017

SUBJ: Monthly Report for September 2017



Here is a brief list of items we've been working on since the last report.

AIRPORT/PEN AIR

- I met with CEO Danny Seybert last week. Although PenAir pulled service in the Pribilofs and McGrath in order to potentially win a future EAS bid, Danny does not plan to do the same for Sand Point. They are still planning to bring the Saab 2000 to Sand Point as soon as the airport is certified.
- During the Chapter 11 reorganization, PenAir pulled back 2 of their Saab 340s from the Lower 48 routes, so that for now will help with our coverage. They also "seem" to have the mechanical issues sorted out with the 2000s, and they will have 4 of those in state, using three in route circulation with another as a spare.
- DOT has not been helpful in getting our airport re-certified. The new ARFF truck should have arrived here on the ferry last week. It did not. I've been working with Tim Clark in Rep Edgmon's office on kicking them in the pants, and he and I have been working on the Department this week. Now the latest word from DOT is that the truck will be on a Brechan barge on Sept 9, when they retrieve their equipment.

DOCK REPLACEMENT DESIGN

A few updates:

- Despite the on-going coordination issues with the Endangered Species Act office in Anchorage, they have assured us that the Biological Opinion that they are responsible for issuing will coincide with the issuance of the IHA permit, around the end of August. This will allow us to finalize the environmental document and proceed with final design.
- PND will be preparing a final design proposal in preparation for the receipt of the environmental document. The pre-environmental package will be submitted this week. The review period will last 2 weeks, at which point the review meeting will be held. This is pretty good news and things are tracking on schedule.
- A couple environmental analysts attempted to travel to Sand Point on July 17 to conduct an eagle nest survey; however, they were forced to cancel due to weather delays. It is now too late in the season to conduct the survey with any meaningful results (eagles may have left the nest) but if we maintain the proposed construction period of Fall-Spring then we should avoid impacting the nesting period during the construction of the project.

NEW HARBOR FLOATS

- Things are proceeding with AEB and Moffat & Nichol engineers. M&F have been working with Mooney and TDX on lighting and electrical questions lately. The project schedule calls for an installation contract to be produced in about 3 months. I have talked with Mark Hickey about submitting the project into a potential statewide bond package for next session. It will be "shovel ready" by then.

TDX

- Speaking of TDX, I spoke to the Regulatory Commission of Alaska (RCA) and worked with the Mayor to file an Informal Complaint with the agency regarding all the brownouts, blackouts, and power failures. That same day TDX sent out the PSA, and tried to assure everyone the problem is solved. The City does not own the utility, we are just a power consumer like everyone else. But I think everyone should be demanding more from them.

COMP PLAN

- I met with Jon Isaacs from AECOM last week to go over their draft for our Comp Plan revision. After we make the latest round of changes I'll present it to the other partners around town for their comments. In a few months I think it can be before the Council and community soon for consideration of adoption.

CLINIC

- According to Jennifer Harrison of EAT, we will see an increase in Village Built Clinic funding. We received an additional \$9,000+ in VBC funds last year, and we will get that and more this year with **\$12,781** from the VBC. In addition, we will see another **\$14,070** based on IHS "supportable space" funding (we have one of the bigger clinics). When combined with our VBC base funding of **\$32,777**, we should receive a total of **\$59,628** for this FY17 (See FYI). The City and EAT have been lobbying for this money for years, so this is good news. IHS is planning to send the money out before Sept 30th. EAT also have a new Finance Officer that is still getting her feet wet, but once she does we're going to explore a new lease program with the IHS, called 105(l), that would allow us to charge more for "full costs" and include things like rent.

ALCOHOL TAX INCREASE

- Obviously police issues have taken up a good deal of time over the last month or two, and figuring out how to budget for new changes has made me think again about our revenue stream. Police funding comes from our general fund. One of the major drivers of police costs- if not THE driving cost- in Sand Point and almost all communities is in response to alcohol. The social and public health costs associated with alcohol are well known, and that is why many, many communities tax alcohol (along with tobacco and increasingly marijuana) at a higher rate than the general sales tax. I think this is something the City Council should seriously consider. Taxing at a higher rate would need to go before the voters. Any newly generated revenue from the excise tax could go directly to public safety and health services. I've attached a recent tax comparison from AML under FYI that shows that a lot of municipalities are considering such increases.

AML

- I attended the summer Alaska Municipal League meeting in Haines in mid-August. The Governor was there, and as you can imagine much of the discussions centered again on getting a state fiscal plan pushed through. Some of the topics included Public Information Officer training and new revenue measures in various communities. This was actually one of the better AML summer meetings I'd ever attended, very informative and focused.